

***STANDARD SALES AGREEMENT – 6/1/2004***

The attached VSI Software License, Maintenance and Support Agreement are for your review. The original of this Agreement, along with all modified Customer Agreements, are maintained in our VSI financial software database. You may use this Agreement to make any desired additions, deletions, or changes, and return to VSI for review. VSI will print the final agreed upon version of this Agreement for signature by both parties.

If you should have any questions, please contact the VSI Sales department at your convenience.

**Vermont Systems, Inc.  
Resale & Exempt Organization  
Certificate of Exemption**

**Suppliers Name:**

Vermont Systems, Inc.  
12 Market Place  
Essex Junction, VT 05452

**Description of Purchased Articles:** Software

**Please Check Applicable Lines:**

- ☐ Purchase by Retailer, Wholesaler for Resale  
☐ Purchase by 501C which is Religious, Educational or Scientific  
☐ Direct Purchase by Governmental Unit  
☐ Purchase by Volunteer Fire Dept, Ambulance Co., Rescue Squad

**Name/Address of Purchaser:**

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**Federal ID Number:** \_\_\_\_\_

**Purchaser's Primary Business:** \_\_\_\_\_

I Certify that I am authorized to sign this certificate of exemption and that, to the best of my knowledge and belief, it is true and correct and made in good faith.

**Signature:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**VERMONT SYSTEMS, INC.**  
**SOFTWARE LICENSE, MAINTENANCE AND SUPPORT AGREEMENT**

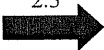
This SOFTWARE LICENSE, MAINTENANCE AND SUPPORT AGREEMENT ("Agreement"), is made and entered into this day of \_\_\_\_\_, by and between Vermont Systems, Inc., a Vermont corporation (hereinafter "VSI" or "Licensor", and the \_\_\_\_\_, (hereinafter "Customer" or "Licensee"), collectively referred to herein as the "Parties".

In consideration of the mutual covenants and obligations expressed herein, the Parties agree to the following:

**ARTICLE 1 – Software License**

- 1.1 VSI shall provide the Licensee and the Licensee agrees to accept a perpetual, non-transferable, and non-exclusive right to use the Licensed Software and Related Materials, as described on the attached Exhibit B. The Licensed Software includes Related Materials, such as User Reference Manuals, Reports Manuals, Installation Planning Guides, On-Line Help, and Tutorials.
- 1.2 VSI utilizes the Progress 4GL Development Language to develop its' Windows software applications. As a result, Progress Server and Client Networking software licenses, along with the imbedded Progress RDBMS (database), are required to operate the application software on the hardware and network operating system platform(s) selected, and they are included on the attached Exhibit B. The License Agreement will also include any other Progress software, such as the WebSpeed Development Environment, which is used to develop its' Browser based application software.
- 1.3 The license authorizes the Customer to use the Licensed Software on the designated computer platform and to make copies of the Licensed Software for safe keeping purposes only.
- 1.4 A license is required for each network server or standalone workstation database, and the number of authorized user workstations permitted to use the Licensed Software is limited to the number listed on Exhibit B. The Licensee is responsible for maintaining an accurate record of the number of user workstations, and this number can be increased with a written notice to VSI, along with payment of the per user license and annual maintenance fees.
- 1.5 As an alternative to purchasing the standard WebTrac software license, VSI also offers a transaction fee based option. This option requires a minimum monthly fee with a one-year minimum. At any time, the Licensee can convert from a transaction fee agreement to a purchase agreement by deducting 85% of the total transaction fees paid from the total current WebTrac and Progress WebSpeed license fees plus annual maintenance fees listed in Article 2.4 below.

**ARTICLE 2 – Annual Software Maintenance and Support Services**

- 2.1 VSI shall provide the Licensee with Software Maintenance and Software Support services for the Licensed Software in accordance with VSI standard Sales and Support Policies, as described in Exhibit A. The extent of support services being provided, are specifically listed in Exhibit B.
- 2.2 The Annual Software Maintenance support shall include distribution of specific product update releases, including software repairs or enhancements subsequent to the initial purchase. Annual software updates will be distributed in accordance with VSI standard Sales and Support Policies, as described in Exhibit A, while periodic updates are available at any time.
- 2.3  The Software Maintenance and Support fee will be billed annually, and it becomes effective on the first day of either a **January 1st** \_\_\_ or **July 1st** \_\_\_ fiscal year for one year (*Please Vone*). New customers will be charged on a prorated basis from the date of delivery through the end of the current fiscal year.
- 2.4 The required Software Maintenance and Support Agreement will automatically renew annually, unless the user notifies VSI in writing that the use of the software has been discontinued.
- 2.5 The Licensee can convert from a transaction fee agreement to a purchase agreement, as described in Article 1.5 above. In doing so, the cumulative annual maintenance fees for WebTrac and the Progress WebSpeed software would be added to licenses fees before deducting 85% of the total of the transaction fees paid.

**ARTICLE 3 – Software Training and Installation Services**

- 3.1 Training is offered at the Customer site, as well as at VSI at 12 Market Place, Essex Junction, VT, based on a daily rate, as described in the VSI standard Sales and Support Policies, Exhibit A.
- 3.2 Any specific training services and estimated charges for each Licensee, including the number of training days, and travel, lodging, meals, and other expenses, will be itemized in Exhibit B. The Licensee can request a change of training dates and number of training days. However, if a change is made after travel arrangements have been completed, the Licensee will be responsible for any additional costs incurred as a result of the changes.

### **ARTICLE 3 – Software Training and Installation Services**

- 3.3 If VSI is providing Installation Services, such as hardware and network operating system installation and setup services, they will be listed in Exhibit B, as well.
- 3.4 The Licensee is responsible for reimbursing VSI for all reasonable expenses, such as travel, lodging, meals, and other expenses necessary to complete the training, as requested by the Customer. While the estimated out-of-pocket expenses are listed in Exhibit B, only the actual expenses will be billed to the Customer, unless the Agreement requires a fixed price in advance.

### **ARTICLE 4 – Charges and Payment**

- 4.1 The Licensed Software charges will be billed to the Customer at the time of delivery, and will be considered due as soon as the software has been installed and is operational on the designated computer(s) ready for Customer use. Any additional user fees will be billed when the user workstation count increases.
- 4.2 The initial Software License fee includes ground shipping and one set of hard copy manuals. If special shipping is requested, the Customer shall pay all associated additional charges. VSI shipping terms for third party hardware and software are FOB Origin.
- 4.3 The Customer shall pay all applicable sales, consumer use, and other similar taxes required by law, unless it is exempt from any or all of these taxes. If tax-exempt, the Licensee must provide VSI with a tax exemption certificate.
- 4.4 VSI will invoice the Customer for training and installation services plus any travel and other expenses, immediately following the completion of each occurrence of training or other services.

### **ARTICLE 5 – Security of Programs**

- 5.1 The Customer shall be solely responsible for the supervision and control of the licensed software to ensure that it is stored in a secure location for customer use only and that no unauthorized and unlicensed third party gains access to it.
- 5.2 Under no circumstances shall the Customer be authorized to perform Reverse Engineering of the software object code, in order to illegally generate source code.

### **ARTICLE 6 – Warranties**

- 6.1 VSI warrants that it has the right to license the Licensed Software, and that there are no pending liens, claims, or encumbrances against the software.
- 6.2 VSI warrants that the software shall conform to its published specifications in the Related Materials, including, but not limited to, the Capabilities Summary, On-Line Help, Reports Manual, and the User Reference Manual. VSI warrants that the software is merchantable, in that it will properly install and operate according to the specifications herein.
- 6.3 VSI warrants to the Customer that it is solvent, that it is not in bankruptcy proceedings or receivership, nor is it engaged in any proceedings, which would have an adverse effect on its ability to perform its obligations under this agreement.
- 6.4 VSI warrants that there has been no violation of copyrights or patent rights in connection with the Licensed Software in this Agreement. VSI shall indemnify and save harmless the Licensee from any suit or proceeding brought against the Licensee by reason of any such infringement or any wrongful use. VSI will defend or settle any such claim, although the Licensee shall be entitled to be independently represented by counsel of its own choice.
- 6.5 VSI certifies that its application software products are Year 2000 Compliant.

### **ARTICLE 7 – Limitation of Liability**

- 7.1 Except for the warranties specified in Section 6, VSI grants no warranties, expressed or implied, including, but not limited to any implied warranties of fitness for a particular purpose. Notwithstanding anything to the contrary in this agreement, it is expressly agreed that VSI shall in no event be liable for special, incidental, indirect, or consequential damages, or for any loss or claim by the Customer.
- 7.2 The Parties agree that the laws of the State of Vermont will govern this Agreement, and that the venue for legal resolution shall be in Chittenden County, Vermont.

**ARTICLE 8 – Risk of Loss**

- 8.1 The risk of loss or destruction, regardless of the cause, shall be the responsibility of VSI until the Licensed Software and Related Materials have been delivered to the Customer's premises.
- 8.2 The Customer shall be responsible for verifying that the Licensed Software and Related Materials have been received, installed on the designated computer(s), and are operational, unless the Agreement specifies that VSI will install the Licensed Software as part of the on-site training.

**ARTICLE 9 – Application Source Code**

- 9.1 The Source Code for all VSI application software is held in escrow by VSI's Escrow Agent, Kolvoord, Overton, & Wilson, Attorneys, at 3 Main Street, Essex Junction, Vermont 05452. If VSI defaults in providing software maintenance support due to company failure, or discontinuance of said service, the source code will be made available to the Customer within 30 days of written notice by the Escrow Agent for Customer support use only.

**ARTICLE 10 – Independent Contractor**

- 10.1 In performing the work under this Agreement, VSI acts as an Independent Contractor and is solely responsible for necessary and adequate workers' compensation insurance, as well as personal injury and property damage insurance.

**ARTICLE 11 – Change Orders or Extensions**

- 11.1 The Customer may require changes in the scope of services to be performed by VSI. Such changes, including any increase or decrease in compensation amount, must be mutually agreed upon in writing by the Licensee and VSI. VSI shall be compensated for all authorized changes in services.

**ARTICLE 12 – Authorization and Entire Agreement**

- 12.1 Each party represents and warrants that it has the power and ability to enter into this Agreement, to grant the rights stated herein, and to perform the duties and obligations described herein.
- 12.2 This Agreement and the attached Exhibits A, B, and \_\_\_\_ constitute the entire Agreement between Vermont Systems and the Licensee.

Vermont Systems, Inc.

Licensee

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Kate W. Mitchell, Vice President  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## EXHIBIT A

### Customer Sales and Support Policies 6/1/2004

#### 1. SOFTWARE LICENSE:

The application software license is a one-time fee, which provides for the perpetual use of the software. While a 15% deposit is required for new accounts, the full software license fee is due for all accounts as soon as the software has been delivered and installed. The Progress Workgroup or Enterprise Server, Client Networking, and embedded RDBMS or Personal RDBMS software license is also required, in order to operate the VSI Windows application software. VSI web applications require a Progress WebSpeed software license, in order to operate the VSI software using a browser.

#### 2. SOFTWARE TRANSACTION FEE LICENSE:

The WebTrac and Progress WebSpeed software can be optionally licensed on a per transaction fee basis. While there is no initial license purchase, the transaction fee agreement does require a minimum monthly fee with a one year minimum, as listed in Exhibit B. At any time, the Licensee can convert from a transaction fee agreement to a purchase agreement by deducting 85% of the total transaction fees paid from the total current WebTrac and Progress WebSpeed license fees plus annual maintenance fees that are cumulative from the original transaction fee license date.

#### 3. ANNUAL SOFTWARE MAINTENANCE AND SUPPORT:

The required annual maintenance support fee is prorated to the end of the first fiscal year, and thereafter, it is due annually on the first day of each fiscal year. This fee includes the following:

- US 800 Telephone Support for VSI and Progress software during normal business hours, five (5) days/week, Mon-Fri, 8am-6pm ET, and availability of chargeable Extended Hours Pager Support, as described in Number 5 below.
- Maintenance and repair of application software malfunctions with reasonable acknowledgement response.
- One major application software update, along with multiple optional periodic updates during the year. Major updates usually include a database conversion, while other periodic updates do not. Enhancements are based primarily on user requests and suggestions, but they also include an extensive number of VSI initiated improvements, all of which are added at the discretion of VSI. Customers must request all software updates, which are distributed on a CD with standard ground shipping. Users can view software release statuses on VSI's web page [www.vermontsystems.com](http://www.vermontsystems.com) under Support.
- One no charge database conversion at VSI per year via FTP, except for those requiring onsite conversion.
- Federal and State regulatory requirement changes.

Any of the following costs associated with customer support are **not included**:

- Actual usage of Extended Hours Pager/Telephone Support at rates listed in Number 6 below.
- Pre-Arranged Non-Standard Extended Hours Pager/Telephone Support at times other than Standard Extended Hours Support is chargeable with a minimum of four hours, which can be nonconsecutive. (See #6)
- Any associated travel and out-of-pocket expenses for installation and training services.
- Installation and configuration of product enhancements or releases, database repairs, and more than one database conversion per year are chargeable.
- Telephone support related to computer hardware, operating systems, networking, and reinstallation and configuration of application software is chargeable. If the hardware and software configurations are modified after VSI has completed on-site or telephone installation services, additional requested support services are chargeable.
- Telephone training, as a substitute for on-site training or classroom training at VSI, as well as for untrained operators, is chargeable. Refer to Item # 6 for hourly pricing.
- Customized print programs and updates are chargeable at the rate listed under Item # 6.
- Interfaces to export or import data from or to other application software databases are chargeable.

#### 4. TRANSACTION FEE BASED SOFTWARE MAINTENANCE AND SUPPORT:

The optional WebTrac and Progress WebSpeed transaction fee agreement includes the same software maintenance and support as described in Section 3 above for the software purchase agreement.

5. **PROGRAMMING ENHANCEMENTS:**

Although our policies provide for charging for special programming, we generally do not charge for individual enhancement requests. All enhancements and repairs are automatically included in all updates as part of the annual maintenance fee.

6. **VSI EXTENDED HOURS PAGER/TELEPHONE SUPPORT SERVICES PRICING:**

Standard Extended Hours Pager/Telephone Support

The Standard Pager Extended Hours are 6pm - 9pm ET, Monday - Friday and 8am - 5pm ET, Saturday - Sunday. If extended hours support is actually provided, it is chargeable at \$95/hour in the U.S. with a minimum of \$50 per call issue. Outside the U. S. calls are chargeable at the rate of \$80/hour with a minimum of \$50 per call issue, plus \$.50 per minute for telephone expense, unless the customer pays to call VSI.

Pre-Arranged Non-Standard Extended Hours Pager/Telephone Support

Non-Standard Extended Hours support may be pre-arranged by calling VSI at least one full business day in advance. While the stand-by rate is \$50/hour, the actual extended pager support is chargeable in the U. S. at \$140/hour with a minimum of \$70 per call. Outside the U. S. calls are chargeable at \$125/hour with a minimum of \$70 per call issue, plus \$.50 per minute telephone expense, unless the customer pays to call VSI.

7. **VSI SUPPORT SERVICES PRICING:**

The VSI on-site U. S. training rate is \$600 per 8-hour day and \$700 per 8-hour day outside the U. S., plus out-of-pocket travel expenses. The VSI classroom training rate is \$600 per 8-hour day for up to two trainees and \$150 per day for each additional trainee. Other services include 800-telephone training in the U. S. at \$95/hour, programming at \$100/hour, and hardware and network configuration support services at \$800/day or \$120/hour. Any hours in excess of eight are chargeable. Travel time is charged at 50% of the daily training rates plus travel expenses. For other services, contact VSI.

8. **VSI WEEKEND SUPPORT SERVICES PRICING:**

The U. S. weekend training rate is \$900/day and \$920 Outside the U. S., while the hourly rate is \$125 with a two-hour minimum. If the Customer asks the VSI Trainer to stay over a weekend, in order to save on travel costs, and no training is provided, the rate is \$250/day, plus all normal travel expenses (lodging, meals, car).

9. **ON-SITE TRAINING SHORT NOTICE CANCELLATION PENALTY:**

If scheduled on-site training is cancelled with less than 3 weeks notice, a \$500 penalty may be applied to partially offset the VSI Trainer rescheduling costs and increased airfare travel costs.

10. **TELEPHONE SUPPORT:**

800-telephone support in the U. S. during VSI business hours is included in the Annual Software Maintenance and Support fee, provided that VSI has previously trained the individuals being supported. Otherwise, chargeable telephone or on-site training must be completed.

11. **APPLICATION SOFTWARE SOURCE CODE:**

The source code for application software being offered by VSI is held in escrow by VSI's Escrow Agent, Kolvoord, Overton, & Wilson, Attorneys, at 3 Main Street, Essex Junction, Vermont 05452, Attn: Al Overton 802-878-3346. If VSI defaults in providing software support due to company failure, or discontinuance of support services, the Escrow Agent will make the source code available to the Customer. The source code can only be used to support each VSI licensed customer.

12. **DOCUMENTATION:**

One hard copy each of the Operator Reference Manual, Installation Planning Guide, and Reports Manual are included with the VSI application software, Progress software, and imbedded Progress RDBMS. Electronic copies of each of the above documents, as well as a Tutorial for the standard demonstration database, are included on the software installation CD-ROM for printing additional copies. Documentation updates are also furnished to all customers via CD-ROM, along with new software releases. Additional hard copy documents are available at \$70 each. On-Line Help documentation is included with all RecTrac, GolfTrac, MainTrac, FinTrac, TeleTrac, WebTrac, and Access Control software releases.

13. **INSTALLATION PLANNING:**

The installation planning process begins with the placing of your order. We will assist you to develop a plan, which will assign Customer and VSI responsibilities for the various elements required to successfully complete the installation and training.

14. **HARDWARE PAYMENT & WARRANTY:**

Full payment for the hardware and systems software is due on the delivery date, after verification of the order. The VSI supplied hardware includes Warranties from the manufacturers or distributors for specified periods. Please review the Warranty chart provided by VSI. After the warranty period, hardware vendors also provide time and materials maintenance support. Warranty and Maintenance Contract service provided on a Depot Basis can require several days to complete. Therefore, plan your purchases to include **spare critical units**, in order to provide your users with uninterrupted operations.